

**CONDUCT OF BUSINESS SOURCEBOOK (AMENDMENT No 5)
INSTRUMENT 2002**

Powers exercised

- A. The Financial Services Authority alters the Conduct of Business sourcebook in the exercise of the power in section 157(1) of the Financial Services and Markets Act 2000 (Guidance).

Commencement

- B. This instrument comes into force on 1 May 2002.

Amendment of the Conduct of Business sourcebook

- C. The Conduct of Business sourcebook is amended as set out in the Annex to this instrument.

Citation

- D. This instrument may be cited as the Conduct of Business Sourcebook (Amendment No 5) Instrument 2002.

By order of the Board
18 April 2002

ANNEX

Amendments to the Conduct of Business sourcebook

In this Annex, underlining indicates new text and striking through indicates deleted text.

Amend COB 3 Ann 1G by inserting the entry relating to article 16 (2) at the beginning of Table 2 and article 28A immediately after article 28.

Article no. and name of exemption	Type of promotion: Unsolicited real time, solicited real time, non-real time	Controlled activity/ controlled investment	Other conditions
<u>16 (2)</u> <u>Exempt persons</u>	<u>Unsolicited real time</u>	<u>All</u>	<u>Made by a person who is an appointed representative carrying on the business for which his principal has accepted responsibility for the purposes of section 39 of the Act; and in relation to which the appointed representative is exempt from the general prohibition; and where the communication is one which, if made by the principal, would comply with the financial promotion rules relevant to a communication of that kind.</u>

Article no. and name of exemption	Type of promotion: Unsolicited real time, solicited real time, non-real time	Controlled activity/ controlled investment	Other conditions
<p><u>28A</u></p> <p><u>One off unsolicited real time communications</u></p>	<p><u>Unsolicited real time</u></p>	<p><u>Note 1</u></p>	<p><u>One off communication where the communicator believes on reasonable grounds that the recipient understands the risks associated with engaging in the investment activity to which the communication relates; and at the time that the communication is made the communicator believes on reasonable grounds that the recipient would expect to be contacted by him in relation to the investment activity to which the communication relates.</u></p>

Amend the format of Notes to table 2 to insert a heading for Note 1 as follows:

Notes to Annex 1G
<p><u>Note 1:</u></p> <p>References in these notes to paragraphs are to paragraphs of schedule 1 to the <i>Financial Promotion Order</i>. The <i>controlled investments</i> italicised in these notes are defined in the same way in both the <i>Financial Promotion Order</i> and the <i>Regulated Activities Order</i>.</p>
<p><u>Note 1:</u></p> <p><u>The following controlled activities:</u></p> <p>(1) effecting and carrying out contracts of insurance within paragraph 2 in relation to <i>life policies</i>;</p> <p>...</p>